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BART ALAN MELTZER

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RECORD OF ORAL HEARING  
UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

*Ex Parte* BART ALAN MELTZER, TERRY ALLEN,  
MATTHEW DANIEL FUCHS, ROBERT JOHN GLUSHKO,  
and MURRAY MALONEY

Appeal 2010-004354  
Application 09/173,858  
Technology Center 2100

Oral Hearing Held: September 22, 2010

Before HOWARD B. BLANKENSHIP, JAY P. LUCAS,  
and THU A. DANG, *Administrative Patent Judges.*

APPEARANCES:

ON BEHALF OF THE APPELLANT:

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1 The above-entitled matter came on for hearing on Wednesday,  
2 September 22, 2010, commencing at 9:34 a.m., at the U.S. Patent and  
3 Trademark Office, 600 Dulany Street, Alexandria, Virginia, before Deborah  
4 Courville, a Notary Public.

5 THE USHER: On the record.

6 JUDGE BLANKENSHIP: Good morning, Mr. Meltzer. You have 20  
7 minutes and you may begin whenever you'd like.

8 MR. BEFFEL: Mr. Meltzer is actually the Inventor in this case. I'm  
9 Ernie Beffel. I represent Open Invention Network --

10 JUDGE BLANKENSHIP: Oh, thank you.

11 MR. BEFFEL: -- which is the assignee of Commerce One's assets  
12 after a bankruptcy in 2004.

13 I'm here to talk about a very old application that was filed in 1998, 12  
14 years ago. The intellectual challenge we have is to put ourselves back in  
15 1997, before there was an XML recommendation published, to the date that  
16 the Examiner agrees was our date of conception. I'm here to answer our --  
17 answer questions that you have, and the reason that I'm going to emphasize  
18 drawing questions from you is that in the first appeal, which Judge  
19 Blankenship heard, you know, five years ago, and it's unlikely he  
20 remembers, there -- the decision of the panel affirmed to the Examiner, but  
21 not on any grounds that were found in the Examiner's answer. So against  
22 the possibility that there may be some things that are questions or issues for  
23 you, I wanted to make sure that I came here to answer your questions.

1 Before going back to my presentation -- if you don't have any  
2 questions to start with. You're welcome to jump right in if you'd like.  
3 Before that recommendation was published on February --

4 JUDGE BLANKENSHIP: Oh, excuse me. You might tell us this, but  
5 what's different about the record now than in the prior appeal?

6 JUDGE LUCAS: We're most interested in the record as it applies to  
7 the input and output documents and how you can show that they were  
8 actually reduced to practice before the critical date.

9 MR. BEFFEL: All right. The record is different because after the  
10 bankruptcy, I found a new source of documentary evidence. When the first  
11 appeal was filed on behalf of Open Invention Network, to the best of my  
12 knowledge, we didn't have any of Commerce One's documents. So you can  
13 imagine they went into a little bit dishevel during bankruptcy. The  
14 declaration of Kevin Hughes indicates that in 2007, I contacted him. He's  
15 not an inventor, but he worked for Commerce One, actually, for Veo and CN  
16 Group before they merged into Commerce One, and he happened to have  
17 hundreds of pages of source code and internal memoranda that I could use in  
18 a declaration. On the first appeal, we only had some brief reports, progress  
19 reports that Professor Glushko had in his personal records. Those had been  
20 accepted by one Examiner in a related case, but weren't accepted by the  
21 Examiner in this case, weren't accepted on appeal last time.

22 For this appeal, I have literally hundreds of pages of source code,  
23 internal documents, memorandum, and I went back and instead of doing a  
24 brief declaration, we did 15-page declarations that walked through things in  
25 excruciating detail. So I was a trial attorney for 20 years. I went back and  
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1 wrote the kind of declaration I'd use in a motion for some rejudgment this  
2 time. The first time, I relied on a declaration that had been written in  
3 another case and accepted in another case, and it was very brief. In addition  
4 to this substantial evidence of actual reduction of practice, it came from not  
5 one of the inventors, but someone who worked with the inventors, from his  
6 personal archives. And Kevin, he's a great guy. He was inducted into the  
7 Hall of Fame for internet inventions. It was a brief -- Ron Markentries (ph.)  
8 of Netscape was one of the other six or seven people that were inducted into  
9 this Hall of Fame. In addition to the evidence related to actual reduction  
10 practice, we supplemented the record with a substantial amount of evidence  
11 regarding the level of skill in the art. In the last appeal, we attempted to  
12 engage the panel on reconsideration in a discussion of the level of skill in the  
13 art, but it hadn't been an issue with the Examiner, so the -- this panel  
14 directed us to go back with additional evidence and to present it for the first  
15 time to the Examiner instead of for first time on appeal. So there are now  
16 Exhibits A through W, many of which have to do with level of skill in the  
17 art.

18       The level of skill of the art is a little bit different in this case than in  
19 some cases because we're talking about dates that straddle February 12,  
20 1998, when the XML recommendation was published. So our challenge is  
21 to go back to the time when experts were collaborating on preparation of the  
22 new markup language when reporters were making prophetic statements  
23 about how this new markup language would change the world, and when  
24 people of ordinary skill in the art were trying to decide whether XML was  
25 too close to the bleeding edge of technology for them even to touch.

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1           In 1998, there was more than one way that you could use XML or that  
2 you might possibly in the future use XML in E-Commerce and the battle is  
3 joined between competing approaches. If we turn to September 1998, the  
4 month before this application was filed, we see a mixture of hype and  
5 apprehension among reporters and those of ordinary skill in the art.  
6 September is 10 months after the Examiner agrees was our date of  
7 conception. On one hand, you see Reporter Joe McKendrick writing for a  
8 trade journal for the banking industry and repeating Microsoft's prophetic  
9 statements about just how important XML might be in the future. On the  
10 other hand, you see Inventor Robert Glushko, who's now a professor at the  
11 University of California Berkley in the field of Document Engineering,  
12 appearing on a panel and answering questions from those of ordinary skill in  
13 the art. In particular, the question from the audience, record page 704, was  
14 is XML stable politically and otherwise, to which Professor Glushko  
15 answered, well, yeah, kind of, sort of. September of 1998 was not a point at  
16 which XML had the same acceptance that it does now. September 1998 was  
17 10 months after our date of conception, but only about seven months after  
18 the language recommendation was published by the WC-3.

19           It's important to understand that at that time, Microsoft was  
20 competing with these inventors to gain support for an entirely different  
21 implementation of XML technology than we claim. Instead of XML to  
22 define a document-based interface, Microsoft was advocating use of XML  
23 for remote procedure calls, as documented in Exhibits R through T. The  
24 Examiner agrees that you can't tell from the *McKendrick* reference, the  
25 primary reference on which the rejection is based, what XML technology  
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1 *McKendrick* was reporting about, which reduces that article to hype and  
2 prophecy. The *McKendrick* reference cannot be considered a technical  
3 disclosure -- let me contrast that -- hype and prophecy to the solvent  
4 teaching that our inventors were doing.

5 In 1998 and '99, Mr. Meltzer and the other inventors were recognized  
6 as industry leaders. They were the people that you'd invite to come speak if  
7 you were having a conference on XML. They might even be the key note  
8 speakers, as Professor Glushko was in July. They published technical  
9 articles. They evangelized both to convince people that XML was stable  
10 enough to invest in, to begin development work with, and to establish their  
11 document-based interfaces as superior to Microsoft's alternative remote  
12 procedure call interface.

13 Now, an analogy might help put *McKendrick* into perspective. XML  
14 12 years ago was like home 3-D television was 3 years ago. If you read an  
15 article three years ago, it might have included prophetic statements about  
16 how important three dimensional television would be in your living room,  
17 how it would change the way that you watch sporting events and the movies,  
18 even the way the movies were made. Like "Avatar," you know, was  
19 recently released. But three years ago, those kinds of prophetic statements  
20 wouldn't tell you anything about the technology. They wouldn't tell you  
21 whether you were going to have a lenticular screen with offset lenses,  
22 whether you'd have active shutter glasses and a very high display rate, or  
23 whether you would have contrasting polarization states on the screen. And,  
24 in fact, you know, you might not be able to tell that even now as to which of  
25 those three dimensional television modes will actually prevail in the living  
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1 room. Similarly, if *McKendrick* says no more than XML technology is  
2 going to be important, you don't know what XML technology he's  
3 describing. You don't have a written description of any particular XML  
4 technology and, in particular, you don't have an enabling disclosure of what  
5 we claim. Thus, the first basis for reversing the rejections would be that  
6 *McKendrick* doesn't provide either a written disclosure or an enabling  
7 disclosure of what we've claimed, that the rejection is based on an over-  
8 inflated interpretation of *McKendrick* that's inconsistent with the proven  
9 level of skill in the art.

10 Any questions about *McKendrick* that I might field now, or I'll go on  
11 to the actual date of reduction to practice?

12 JUDGE LUCAS: We've read *McKendrick*, , and we understand what  
13 you're suggesting. On the other hand, we have to apply it to the claims  
14 themselves as you've written them.

15 MR. BEFFEL: Well, and you have to separate what's prophetic from  
16 what's a technical disclosure. There is *McKendrick* on the screen now and  
17 you can tell that he's talking about what will happen in the future. He's not  
18 disclosing any particular technology. The Examiner argues in some places  
19 that he's mentioning what might be a public use, but, certainly, what's  
20 described in *McKendrick* is not a sufficient description of a public use to  
21 satisfy a public use proceeding or to even tell us who to go and ask for what  
22 product to find out what product's being described.

23 Remember, we're at a very early stage in the art here when people in  
24 September 1998, the same month as *McKendrick*, are asking from the  
25 audience is XML stable enough for us to invest in. So you have to -- it's  
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1 challenging to go back to those first few months that XML had been released  
2 as a standard. But if you go back and keep in mind the real level of skill in  
3 the art, *McKendrick* is only prophetic, it's not any disclosure of technology.

4 JUDGE LUCAS: One of the questions we must consider is whether  
5 the disclosure by *McKendrick* matches the breadths of the claims that you've  
6 presented.

7 MR. BEFFEL: Whether it provides an enabling disclosure is the  
8 actual test. It's not the breadth of *McKendrick*, it's whether he provides an  
9 enabling disclosure. There is no discussion of an interface consisting of  
10 documents. The data structure that is specifically claimed in our application  
11 is not in any way hinted at, described by *McKendrick*. And, in fact, the  
12 Examiner has acknowledged, on page 22 of the Examiner's Answer, that  
13 you can't tell whether *McKendrick* is talking about remote procedure calls  
14 implemented using XML or whether he's talking about a document  
15 interface. My personal belief is that *McKendrick* probably didn't know what  
16 kind of technology he was talking about because if you look at the Microsoft  
17 article that has the same language in it that *McKendrick* was quoting, you  
18 know, it doesn't tell you in the Microsoft article, page 784 in the record,  
19 what kind of technology they're talking about.

20 JUDGE LUCAS: I understand your point.

21 MR. BEFFEL: Okay. Is there anything that you see in *McKendrick*  
22 as being a technical disclosure?

23 JUDGE LUCAS: I thank you for your question.

24 MR. BEFFEL: All right.

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1 JUDGE LUCAS: But I am also guided by what is the -- are terms of  
2 your claim, and the terms of your -- I have to consider the breadth of the  
3 terms of your claim.

4 MR. BEFFEL: Well, then let's understand how much different what's  
5 in the claims is from what the article is beforehand. And there are actually a  
6 couple of articles that describe how this group of engineers tried to use  
7 CORBA, which was a bus oriented object to architectural binary objects, and  
8 couldn't do what they have eventually ended up doing using XML. The  
9 technology, back when I was programming, which isn't much different from  
10 1997, when people were using CORBA, was to be as compact in data that  
11 you were sending back and forth as possible. We've -- there's a 116 page  
12 application. So you could -- one following *In Re Judd* would surmise from  
13 the disclosure being so thorough and complete that it took a lot to teach  
14 people to go from the old mentality of tightly organized objects in binary  
15 formats that are compact and easy to transmit, that can be efficiently and  
16 economically transmitted, to using something that's usually verbose, like  
17 XML, and to go from binary negotiations between parties so that your binary  
18 objects will be well understood, to something that is as elegant, as  
19 revolutionary in 1997 and 1998 as it was, something that you can post in a  
20 place and then people's compilers can build applications, can build  
21 marshaling and unmarshaling from a verbose description of what the  
22 documents going to be sent back and forth is. On one hand, you were  
23 sending parameters, perhaps objects as parameters, that were tightly defined,  
24 and now this group at Commerce One -- CN Group, Veo, however you call  
25 it -- this group says no, you don't have to do all that. Let's just post on the  
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1 internet, perhaps, the definition of an interface to a loosely coupled process  
2 that you send a document to and you get a document back. We're not going  
3 to do binary objects. We're not going to follow the programmer's mentality.  
4 We're going to take you to a documented oriented world and do something  
5 that's completely different from what anybody else did. The two articles  
6 that I'm referring to are a 1997 article by Marty Tenenbaum and a 1999  
7 article by Glushko, Tenenbaum, and Meltzer that describe the old paragon  
8 versus the new. And that's the intellectual challenge of going back in time,  
9 you know, keeping in mind what the level of skill in the art was in 1997 and  
10 1998 and setting aside everything that we know now about how brilliantly  
11 XML has turned out to work.

12 I'm very close to 20 minutes, so let me try and get -- and if you have  
13 more questions and it runs over 20 minutes, that's okay with me, but I don't  
14 want to keep other people waiting.

15 There are four dates of actual reduction of practice that we've proven,  
16 and there's two errors that we've pointed to by the Examiner, a legal error  
17 and a factual error. The legal error is demanding a complete product that is  
18 guaranteed that it worked with testing. Three or four times in the  
19 Examiner's Answer, the Examiner quotes this uses exactly the same  
20 standard which is exactly contrary to the *King Instrument Mahurkar*  
21 standard that she quoted in the Final Office Action. She committed a legal  
22 error, repeated it three times, and that certainly makes it prejudicial to our  
23 point of view. She also -- after this case was briefed, the Federal Circuit  
24 decided *Yorkey v. Diab* on April 7, 2010. The new case cites *Mahurkar* and  
25 follows the same rules in *King Instrument*. In *Yorkey*, the Federal Circuit  
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1 reviewed software code and the explanations of record. The Federal Circuit  
2 found that the software code supported a prima facie case of actual reduction  
3 to practice.

4 In this record, we have software code January 4, 1998. Actually, it  
5 has an internal date of January 2, 1998, but the file stamp on the file that  
6 Kevin Hughes supplied had a latest modified date of January 4, 1998, and it  
7 doesn't matter for my purposes. But in any case, the Examiner  
8 acknowledges in the Examiner's Answer that the interface definition code  
9 that we have dated January 4, 1998 is substantially identical to the interface  
10 definition code that Professor Glushko publicly described on July 25, 1998,  
11 at record 678, and actually is very similar to what was adopted, I think, in  
12 1999 or -- no, it was adopted in 2000 or 2001 as part of the WSDL standard,  
13 a standard that the industry adopted for use of this kind of interface  
14 definition. In fact, it's interesting that this particular application is such a  
15 substantial disclosure, 116 pages and 13 figures, 16 figures, that you can find  
16 the teachings for the WSDL standard, the UDDI standard, and the WSI basic  
17 profile two and five years before the industry standard organizations got  
18 around to following the lead that these particular well-respected inventors  
19 set forth.

20 So we would like the court, the panel to take into account *Yorkey v.*  
21 *Diab*, which isn't Briefed, but I found it last night when I was preparing for  
22 the argument as an update on what we put into our Reply. The factual error  
23 that the Examiner made was to completely disregard the evidence. She said  
24 she could disregard the evidence because she didn't consider it credible. She  
25 didn't consider it credible because she misquoted one sentence out of a  
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1 December 1997 memo by Inventor Terry Allen. If you take that in context,  
2 if you really look at what the sentence says, you see that Mr. Allen was  
3 talking about the XLL standard. He wasn't talking about anything that had  
4 to do with actual reduction of practice. In the Examiner's argument, instead  
5 of acknowledging that it was the XLL standard that Inventor Allen was  
6 talking about, the Examiner acted as if it was CBL that Mr. Allen was  
7 talking about and she just got it wrong. You know, she cut the phrase in half  
8 and misunderstood what the standard that was being referred to in the  
9 second sentence, up here on the board, from our Reply Brief said.

10 Now, because of the way the last appeal went, because of the  
11 interaction with the Examiner, we made sure that the declaration said that it  
12 wasn't necessary that CBL be completely reduced to practice for there to be  
13 an actual reduction to practice. There was some confusion about CBL in the  
14 last appeal, so we explicitly addressed that in the body of the declaration and  
15 for emphasis in the very last paragraph of each of the declarations. It was  
16 not necessary that XLL be a stable specification. In fact, it didn't become a  
17 standard until 14 months after our conception. It didn't become a standard  
18 until months after our application was filed. So if XLL had to be a stable  
19 standard for there to be a reduction of practice, I couldn't be standing here.  
20 Neither was it necessary for CBL to be a stable standard for us to have an  
21 actual reduction of practice. We only need to have a prototype. We had a  
22 prototype, which you can see by inspection, in the January 4, 1998 code  
23 sample at record page 578. We had an important demonstration for the  
24 Department of -- an official for the Department of Defense and to Ingra  
25 Micro, a well-known distributor of computers. It was scheduled for January  
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1 21, 1998. We made substantial preparations for that. We have  
2 documentation of our preparations. If you look at the plan for that  
3 demonstration, you can compare the list of modules to the source code, the  
4 200 pages of source code that we've included in the record, and you can see  
5 that we have everything in the record with dates before January 21, 1998  
6 that would have been necessary to carry out the January 21, 1998  
7 demonstration. The declarations are very clear in giving you the entire  
8 factual walkthrough of what they were doing, why they were doing it, and  
9 how they were absolutely right that that data structure dated January 4, 1998  
10 would, did, actually become part of a standard years later, essentially. The  
11 other basis for reaction --

12 JUDGE BLANKENSHIP: Excuse me. Our time is up.

13 MR. BEFFEL: Yes.

14 JUDGE BLANKENSHIP: Do we have any --

15 MR. BEFFEL: Questions?

16 JUDGE BLANKENSHIP: -- questions from the panel?

17 JUDGE LUCAS: No. I think you've addressed the points --

18 JUDGE DANG: No.

19 JUDGE LUCAS: -- that I wanted addressed.

20 MR. BEFFEL: Thank you, Judge Lucas. I appreciate it. And thank  
21 all of you.

22 JUDGE BLANKENSHIP: Thank you.

23 MR. BEFFEL: Appreciate your time.

24 Whereupon, the proceedings, at 9:59 a.m., were concluded.  
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